



# PRESS RELEASE

## Internal Revenue Service - Criminal Investigation Cincinnati Field Office *Acting Special Agent in Charge Troy N. Stemen*

Date: Friday, November 13, 2015

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CI Release #: CINFO-2015-37

### **LOCAL WOMAN INDICTED ON AGGRAVATED IDENTITY THEFT CHARGES IN FALSE INCOME TAX REFUND SCHEME**

DAYTON, OHIO -- A federal grand jury here has indicted Petrona Penn, 37, of Dayton, Ohio with 12 counts of filing false claims for income tax refunds with the Internal Revenue Service (IRS), three counts of wire fraud, and three counts of aggravated identity theft.

Carter M. Stewart, United States Attorney for the Southern District of Ohio and Troy N. Stemen, Acting Special Agent in Charge, Internal Revenue Service Criminal Investigation, Cincinnati Field Office announced the indictment returned on November 10, 2015.

According to the indictment, between January 2010 and February 2011 Penn electronically filed at least 40 fraudulent income tax returns with the IRS on behalf of clients that claimed false income tax refunds which she knew they were not entitled to claim. Her clients included neighbors, acquaintances, and others.

Penn allegedly prepared fraudulent income tax returns that contained false, fraudulent or fictitious information, including false Form's W-2, fictitious dependent information, and fraudulent Schedule C's. By filing these false income tax returns, the IRS issued fraudulently inflated income tax refunds.

The indictment further alleges that Penn diverted a substantial portion of the fraudulent income tax refunds into bank or debit card accounts that she controlled, including prepaid debit cards. Penn had the prepaid debit cards delivered to her residences or addresses associated with her in the Dayton, Ohio area.

In addition, Penn allegedly used former clients' personal identifying information, such as their names and social security numbers, to file fraudulent income tax returns for which her clients did not authorize. Penn had the entire amounts of the fraudulent income tax refunds deposited onto prepaid debit cards that were in her name. In these cases, none of the taxpayers whose identities she used received any portion of the income tax refunds.

Penn was arrested yesterday and was released on bond. This case has been assigned to Senior U.S. District Judge Walter H. Rice

Filing false claims for income tax refunds with the IRS carries a maximum penalty of 5 years in prison and a fine of up to \$250,000. Wire fraud carries a maximum penalty of 20 years in prison and a fine of up to

\$250,000. Aggravated identity theft carries a mandatory sentence of two years in prison, which must run consecutive to any other sentence that a court may impose.

“Investigating refund fraud and identity theft is a priority for IRS Criminal Investigation,” said Troy N. Stemen, Acting Special Agent in Charge, IRS Criminal Investigation, Cincinnati Field Office. “Stealing identities and filing false tax returns is a serious crime that hurts innocent taxpayers. Today’s arrest should serve as a strong warning to those who are considering similar conduct. Law enforcement is serious about investigating these crimes and holding to account those who would defraud the government.”

This case is being prosecuted by Assistant United States Attorney Alex R. Sistla and was investigated by special agents of IRS-Criminal Investigation.

An indictment merely contains allegations, and the defendant is presumed innocent unless proven guilty in a court of law.

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